

UPPER EXPLORERLAND REGIONAL
PLANNING COMMISSION

FINANCIAL REPORT

JUNE 30, 2009

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Upper Explorerland Regional Planning Commission
Postville, Iowa

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Upper Explorerland Regional Planning Commission, as of June 30, 2009 and for the year then ended, as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Upper Explorerland Regional Planning Commission, as of June 30, 2009, and the respective changes in financial position for the year ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our reports dated January 8, 2010 on our consideration of the internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of

internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. Those reports are an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 5 and 29 through 44, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. We previously audited, in accordance with the standards referred to in the second paragraph of this report, the financial statements for the nine years ended June 30, 2008 (which are not presented herein) and expressed unqualified opinions on those financial statements. Other supplementary information included in Schedules 1 through 12, including the Schedule of Expenditures of Federal Awards required by U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in our audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Ridihalgh, Fuelling, Snitker, Weber & Co., P.C.

RIDIHALGH, FUELLING, SNITKER, WEBER & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

January 8, 2010

Management Discussion and Analysis of Upper Explorerland Regional Planning Commission (UERPC) as of June 30, 2009, as required by GASB 34 rules:

The Upper Explorerland Planning Regional Planning Commission (UERPC) is a membership supported organization of local governmental bodies in Allamakee, Clayton, Fayette, Howard and Winneshiek County in northeast Iowa. The purpose of the UERPC is to provide management and technical assistance to local governmental staff and elected officials.

UERPC exists because of a need for local governments facing similar problems to cooperate in finding solutions. This cooperative effort, through UERPC membership, provides greater resources to local governments than they would be able to afford individually. The sharing of resources and discussion of common concerns vastly improves the quality and consistency of solutions to local and regional problems. Costs are held at a level that allows all local governments in the region to participate. UERPC strives to provide "A regional response to local needs."

As management of UERPC, we offer the readers of UERPC's Financial statements this narrative overview and analysis of the financial activities for the year ended June 30, 2009. The Financial Statements of Upper Explorerland Regional Planning Commission (UERPC) consist of the operations of UERPC and the Workforce Investment Act (WIA) (WIA is job training and job retraining programs, along with the Promise Jobs program). These WIA programs are administered by UERPC, UERPC acts as the Fiscal Agent for the Iowa Workforce Development program in the Region 1 Employment and Training district, this program is listed in the audit as CSP. Programs that UERPC administers and that are not included in this audit report are the Upper Explorerland Regional Housing Authority (RHA).

Fiscal year 2009 has been a building year for UERPC with new management which brings a renewed direction and a unprecedented year of need for our local governments. Our agency was challenged to be able to change and respond quickly to meet their needs. New funding streams and limited funds made it a very challenging year professionally for personnel as well as financially for the agency. With new funding brings about new fiscal monitoring and federal regulations that must be maintained. The Staff at UERPC continues to remain focused on providing excellent services to our member's in the region. We are thrilled to have new programs, new staff and look forward to another successful year in fiscal year 2010.

Financial Highlights:

- The assets of UERPC exceeded its liabilities at June 30, 2009 by \$2,045,725 (net assets). Of this amount \$626,614 (unrestricted net assets) may be used to meet UPERC ongoing obligations to member communities and creditors.
- UERPC's net assets increased of \$14,164 after the operation of the Commission during the period of July 2008-June 30, 2009.

As of June 30, 2009 Total Assets (TA) were \$3,798,115. Included in the makeup of TA were the following categories as found on Exhibit A of this report:

Cash and Cash equivalents	\$ 997,856
Certificates of deposit	\$ 100,000
Accounts Rec. Federal sources	\$ 602,078
Accounts Rec. Other	\$ 208,994
Interest Rec.	\$ 1,973
Loans Rec.	\$ 1,733,376
Fixed Assets (net)	\$ 153,838
Total Assets	\$ 3,798,115

As of June 30, 2009 Total Liabilities (TL) were \$1,752,458. Included in the makeup of TL were the following categories as found on Exhibit A of this report:

Accounts Payable	\$ 564,789
Accrued interest payable	\$ 2,479
Accrued leave additive (unused annual leave of employees - earned but not used)	\$ 97,712
Deferred income	\$ 178,731
Loan payment due within one year (intermediary Loan Program - Funds borrowed from the USDA at an interest rate of 1% per annum)	\$ 49,800
USDA Loan payable balance	\$ 858,879
Total Liabilities	\$ 1,752,390

As of June 30, 2009 Net Assets (NA) were \$2,045,725. Included in the makeup of NA were the following categories as found on Exhibit A of this report:

Investment in Fixed Assets (Net)	\$153,838
Items reserved by the Commission:	
CGOI:	\$110,000
Car replacement reserve	\$20,730
Unreserved	\$495,884
Restricted Fund Balances	\$1,265,273
Total Net Assets	2,045,725

Of the amount of Total Net Assets reflected in the schedule above, the unrestricted portion of these assets totaled \$626,614. This amount reflects an increase of \$14,164 for the Commission during the period of July 1, 2008 to June 30, 2009.

This audit report does not reflect any findings by the audit firm engaged to perform the audit. Throughout the audit report various schedules reflect revenue and expenses of the various programs that the Commission operates. The reader is encouraged to review these schedules and the entire audit report in its entirety.

Wendy Mihm-Herold
Executive Director
Upper Explorerland Regional Planning Commission
Postville, Iowa

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION

STATEMENT OF NET ASSETS

As of June 30,2009

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 997,856
Certificate of deposit	100,000
Accounts receivable, federal sources	602,078
Accounts receivable, other	208,994
Interest receivable	1,973
Loans receivable	1,733,376
Fixed assets(net)	153,838
TOTAL ASSETS	\$ 3,798,115
LIABILITIES	
Accounts payable	\$ 564,789
Accrued interest payable	2,479
Accrued leave additive	97,712
Deferred income	178,731
Noncurrent liabilities:	
Due within one year:	
Loan payable	49,800
Due in more than one year:	
Loan payable	858,879
TOTAL LIABILITIES	1,752,390
NET ASSETS	
Investment in fixed assets	153,838
Fund balance:	
Reserved by the board:	
CGOI	110,000
Car replacement	20,730
Unreserved	495,113
Restricted Fund Balance	1,266,044
TOTAL NET ASSETS	2,045,725
TOTAL LIABILITIES & NET ASSETS	\$ 3,798,115

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2009

Functions / Programs:	Expenses	Program Receipts		Net (Expense)
		Charges for	Operating	Revenue and
Governmental activities:		Service	Grants	Changes in
			Contributions	Net Assets
			Restr. Int.	Governmental
				Activities
Salaries	\$ 1,062,125	268,388	802,524	8,787
Employee benefits	303,687	36,333	270,273	2,919
Travel and per diem	60,833	2,524	58,942	633
Shared support	23,766	-	24,023	257
Conferences and training	10,960	315	10,760	115
Contracted Service	1,658	-	1,676	18
Client Training	583,249	-	589,556	6,307
Training support	-	-	-	-
Other support	232,227	27,124	207,342	2,239
Equipment purchase/lease	23,753	5,974	17,976	197
Office/office supplies	12,831	3,244	9,693	106
In Kind Match	49,518	-	50,053	535
Allocated costs	231,947	60,904	172,938	1,895
Interest	9,444	-	9,545	101
Depreciation	-	-	-	-
Grants/Programs	2,156,980	-	2,180,303	23,323
Total governmental activities	\$ 4,762,978	404,806	4,405,604	47,432
General Revenues (Uses):				
Unrestricted interest				14,779
Other Income				38
Total General Revenues				14,817
Change in Net Assets				62,249
Net assets beginning of year				2,031,561
Fixed asset obsolescence/adjustments				(48,085)
Net assets end of year				\$ 2,045,725
Net Assets				
Restricted:				
HAWC				55,000
RBEG				740
Revolving Loan Fund				476,794
Intermediary Relending Program				733,479
Unrestricted				779,712
				\$ 2,045,725

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION

GOVERNMENTAL FUNDS

BALANCE SHEET

June 30, 2009

	General	Special Revenue		
	Fund	CSP	RLF	IRP
ASSETS				
Cash and cash equivalents	\$ 534,765	2,077	118,598	292,677
Certificate of deposit	100,000	-	-	-
Accounts receivable, federal	74,788	330,099	-	-
Accounts receivable, other	159,191	47,505	-	-
Interest receivable	363	-	1,610	-
Fixed Assets	-	-	-	-
Loans receivable	-		359,076	1,363,051
TOTAL ASSETS	\$ 869,107	379,681	479,284	1,655,728
LIABILITIES				
Accounts payable	\$ 23,920	379,681	2,490	11,061
Accrued interest payable	-	-	-	2,479
Accrued leave additive	57,578	-	-	-
Deferred income	161,765	-	-	-
TOTAL LIABILITIES	243,263	379,681	2,490	13,540
FUND EQUITY				
Fund balance:				
Unreserved	495,114	-	-	-
Reserved by the board:				
CGOI	110,000	-	-	-
Car replacement	20,730	-	-	-
Restricted:				
Restricted Fund Balance	-	-	476,794	1,211,088
Debt Reserve	-	-	-	81,100
Local Match	-	-	-	350,000
TOTAL FUND EQUITY	625,844	-	476,794	1,642,188
TOTAL LIABILITIES & FUND EQUITY	\$ 869,107	379,681	479,284	1,655,728

TOTAL FUND EQUITY PER EXHIBIT C

Total net assets reported for governmental activities in the statement of net assets are different from the amount reported above as total governmental fund's fund balance because: Capital assets used in government activities are not financial resources and hence not reported in the fund statements. Amounts reported for governmental activities in the statement of net assets: Governmental capital assets net of depreciation

Long term liabilities are not due in the current period and therefore not reported in the fund statements. Long term liabilities reported in the statement of net assets that are not reported in the fund balance sheet are:

Loans payable

NET ASSETS OF GOVERNMENTAL ACTIVITIES-EXHIBIT A

EXHIBIT C

HAWC	WIA	RBEG	Totals
45,159	3,840	740	997,856
-	-	-	100,000
-	197,191	-	602,078
-	2,298	-	208,994
-	-	-	1,973
-	-	-	-
11,249	-	-	1,733,376
56,408	203,329	740	3,644,277

1,408	146,229	-	564,789
-	-	-	2,479
-	40,134	-	97,712
-	16,966	-	178,731
1,408	203,329	-	843,711

-	-	-	495,114
-	-	-	-
-	-	-	110,000
-	-	-	20,730
-	-	-	-
55,000	-	740	1,743,622
-	-	-	81,100
-	-	-	350,000
55,000	-	740	2,800,566
56,408	203,329	740	3,644,277

\$ 2,800,566

153,838

(908,679)
\$ 2,045,725

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-GOVERNMENT FUNDS

Year Ended June 30, 2009

	SPECIAL REVENUE			
	General			
REVENUES	Fund	WIA	CSP	IRP
Intergovernmental:				
Federal	\$ -	-	2,365,228	-
State	-	-	198,646	-
Local	404,806	-	-	-
Miscellaneous:				
Interest	14,779	-	-	82,592
Other	-	51,054	-	4,925
Total revenues	419,585	51,054	2,563,874	87,517
EXPENDITURES				
Salaries	268,184	420,218	-	23,746
Employee benefits	36,305	162,653	-	10,335
Travel and per diem	2,522	21,458	-	-
Shared Support	-	23,767	-	-
Conferences and training	315	-	-	-
Client Training	-	583,250	-	-
Training Support	-	5,725	-	-
Other support	27,103	124,519	-	-
Equipment purchase/lease	5,969	21,135	-	-
Office/ office supplies	3,242	-	-	-
In Kind Match	-	-	-	-
Allocated costs	60,859	80,930	10,555	9,124
Interest	-	-	-	9,444
Grants/Programs	-	-	1,160,718	-
Depreciation	-	-	-	-
Long term debt principal	-	-	-	49,800
Total expenditures	404,499	1,443,655	1,171,273	102,449
NET REVENUES (EXPENDITURES)	15,086	(1,392,601)	1,392,601	(14,932)
OTHER FUNDING SOURCES (USES)				
Fixed Asset Adjustments	(5,524)	-	-	-
TRANSFERS:				
Special Revenue:				
Fiscal Agent for CSP	-	1,392,601	(1,392,601)	-
Youth Offender	-	-	-	-
NET CHANGE IN FUND BALANCES	9,562	-	-	(14,932)
FUND BALANCE, beginning	616,282	-	-	1,657,120
FUND BALANCE, ending	\$ 625,844	-	-	1,642,188

See notes to financial statements

RLF	Navigator	Jumpstart Business	Jumpstart Housing	Other Nonmajor Gov Fds	Total
-	364,218	-	-	211,605	2,941,051
-	-	574,390	409,403	-	1,182,439
-	-	-	-	67,062	471,868
25,146	-	-	-	1,365	123,882
355	-	-	-	49,615	105,949
25,501	364,218	574,390	409,403	329,647	4,825,189
9,358	257,063	5,692	10,185	91,908	1,086,354
2,342	33,544	2,021	2,983	29,277	279,460
-	28,926	228	-	11,188	64,322
-	-	-	-	-	23,767
-	233	-	-	10,030	10,578
-	-	-	-	-	583,250
-	-	-	-	-	5,725
-	62	7	586	71,021	223,298
-	-	-	-	2,938	30,042
-	4,892	-	82	109	8,325
-	-	-	-	49,518	49,518
2,284	39,498	1,768	2,998	23,899	231,915
-	-	-	-	-	9,444
-	-	564,674	392,569	39,019	2,156,980
-	-	-	-	-	-
-	-	-	-	-	49,800
13,984	364,218	574,390	409,403	328,907	4,812,778
11,517	-	-	-	740	12,411
-	-	-	-	-	(5,524)
-	-	-	-	-	-
-	-	-	-	-	-
11,517	-	-	-	740	6,887
465,277	-	-	-	55,000	2,793,679
476,794	-	-	-	55,740	2,800,566

EXHIBIT E

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES**
 For The Year Ended June 30, 2009

Net change in fund balances-total governmental funds	
governmental funds-Exhibit D	\$ 6,887

Amounts reported for governmental activities in the statement of activities are different because:

The acquisition of capital assets are reported	5,524
in the governmental funds as expenditures. However for governmental activities those costs are shown in statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. Assets disposed of for less than book value (cost less accumulated depreciation) are recorded as losses on disposition of fixed assets. Disposals for more than book value are recorded as gains on disposition of fixed assets.	

Depreciation expense reported in the statement of activities	-
--	---

Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net assets and does not affect the statement of activities.	49,838
	49,838

Change in net assets-Statement of Activities-Exhibit B	\$ 62,249
	62,249

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS

1) NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Activities

Upper Explorerland Regional Planning Commission was created under Chapter 473A and 28E, State Code of Iowa as a regional planning organization to serve the counties of Allamakee, Clayton, Fayette, Howard, and Winneshiek, Iowa. The commission is governed by a Board of Commissioners appointed from the five counties.

The commission provides comprehensive studies and plans for the development of the five county area. Its programs are financed from federal and state grants and contracts, county appropriations, and interest earned on investments.

In addition, the commission administers various Community Development Block Grant programs and is responsible for administering the various programs established under the Workforce Investment Act and also provides special services in the form of printing, reproduction, and mapping.

The Commission through its Revolving Loan Fund programs and Intermediary Relenting Program makes low interest loans available to business in the five county area.

The Commission acts as Fiscal Agent for Iowa Workforce Development Department. It performs accounting functions, and receives and disburses funds on behalf of the Coordinating Service Provider. It administers the Promise Jobs Program to assist welfare recipients in becoming self-sufficient. It provides employment and training opportunities for low-income individuals and other special groups. This is provided by offering assistance through classroom, pre-employment and on-the-job-training.

B. Measurement Focus and Basis of Accounting

The entity-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows.

The governmental fund statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measureable and available. The Commission considers all revenues reported in the governmental funds to

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS

be available in the current period or soon enough thereafter, sixty days, to be considered revenues of the current period. Expenditures are recorded when the related fund liability is incurred and is measurable except for principal and interest on general long term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long term debt and acquisitions under capital leases are reported as other financing sources.

C. Basis of Presentation

Commission-wide Statements-The Statement of Activities and Net Assets are reported in two categories:

Restricted Net Assets result when constraints placed on net asset use are either externally imposed or imposed by law, grant or contract.

Unrestricted Net Assets consist of net assets that do not meet the definition of the preceding category. Unrestricted Net Assets may have constraints on resources imposed by management or the board of directors, which can be removed or modified.

The Statement of Activities and Net Assets demonstrates the degree to which the direct disbursements of a given function are offset by program receipts. Direct disbursements are those clearly identifiable with a specific function. Program receipts include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and 2) grants, contributions and interest on investments restricted to meeting the operational or capital requirements of a particular function. Other items not properly included among program receipts are reported instead as general receipts.

The Commission has no business-type activities or fiduciary funds.

Fund Financial Statements-Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregated and reported as non-major governmental funds.

The Commission reports the following major governmental funds:

The General Fund is the general operating fund of the Commission. All receipts not allocated by law, grant or

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS

contractual agreement to some other fund are accounted for in this fund. From the fund are paid the general operating disbursements, the fixed charges and the capital improvement costs that are not paid from other funds.

The Special Revenue WIA Fund accounts for activities associated with providing job training and retraining programs.

The Special Revenue CSP Fund accounts for the receipts and disbursements of the Commission in its capacity as Fiscal Agent for Iowa Workforce Development Department Sources include grants from the federal government.

The Special Revenue IRP Fund accounts for the receipts and disbursements of the Intermediary Relending Program. The program makes low interest loans to businesses in the five county area.

The Special Revenue RLF Fund accounts for the receipts and disbursements of the Revolving Loan Fund. The program makes low interest loans in the five county area.

The Jumpstart Fund accounts for the receipts and disbursements of the Jumpstart Fund. The program is a part of a Community Development Block Grant to Black Hawk County for Housing Disaster Recovery and provides project services to the five county area.

D. Cash Equivalents

The Commission considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. There were no cash equivalents at June 30, 2009.

E. Budgets and Budgetary Accounting

Upper Explorerland Regional Planning Commission does prepare financing and spending budgets for programs on a project basis. The Commission is not required to adopt a legal budget under state law.

F. Allocation of Fringe Benefits and Indirect Costs

WIA division of UERPC charges all payroll directly to grants based on actual expenditures in accordance with the Office of Management and Budget Circular A-87. Fringe benefits are distributed to the various grant/program areas based on total

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS

payroll percentages calculated any given month for the various grant program areas.

The Commission division of UERPC allocates indirect costs to all grants in accordance with the Office of Management and Budget Circular A-87. Fringe benefits are distributed to the various grant-program areas based on a total payroll percentage. Total payroll percentage is determined by first obtaining a percentage of the administrative staff charged directly to grant/program areas, and adding "pool salaries" which are allocated based on the direct salary percentage.

Indirect costs are allocated based on the direct payroll percentages.

G. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

2) FISCAL AGENT

Effective July 1, 1998, the Commission entered into a contract with Iowa Workforce Development Department, to act as Fiscal Agent. As the Fiscal Agent, the Commission will perform accounting functions and receive and disburse funds on behalf of the Coordinating Service Provider. They are to ensure compliance with applicable audit requirements on funds received under the contract, and to provide a report and accounting of all expenditures as they relate to the contract.

3) CASH AND CASH EQUIVALENTS

Cash and equivalents consists of deposits at financial institutions and certificates of deposits with a maturity of three years or less. Cash and cash equivalents by fund are as follows:

Commission	\$534,765
RBEG	740
H.A.W.C	45,159
R.L.F	118,598
I.R.P	292,677
W.I.A	3,840
C.S.P.	<u>2,077</u>
	<u>\$997,856</u>

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS

The Commission's deposits beyond FDIC insurance are insured by Iowa under a Sinking Fund to insure public deposits under the authority of Chapter 12C, Code of Iowa and 781-13, Iowa Administrative code. This Fund insures public deposits in each individual bank up to the amount of that bank's total.

4) ACCOUNTS RECEIVABLE

Accounts receivable are shown at their gross amounts. No allowance for bad debts is shown due to the fact that it is believed that all receivables are collectable. Accounts receivable by fund is as follows:

Accounts receivable - federal:	
Commission	\$ 74,788
C.S.P.	330,099
W.I.A.	<u>197,191</u>
	<u>\$602,078</u>

Accounts receivable - other	
Commission	\$159,191
C.S.P	47,505
W.I.A	<u>2,298</u>
	<u>\$208,994</u>

5) FIXED ASSETS

Fixed assets are recorded at cost and includes depreciable and non-depreciable assets. Non-depreciable assets include equipment purchased with grant dollars. Depreciable assets are depreciated over their estimated useful lives using the straight-line method of depreciation.

A summary of changes in general fixed assets follows:

	Balance June 30, <u>2008</u>	<u>Additions</u>	<u>Deletions</u>	Balance June 30, <u>2009</u>
Fixed Assets	\$229,889	16,611	34,722	211,778
Accumulated Depreciation	<u>33,488</u>	<u>59,174</u>	<u>34,722</u>	<u>57,940</u>
Net	<u>196,401</u>	<u>(42,563)</u>	<u>=</u>	<u>153,838</u>

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS

Fixed Asset records were updated in the current year and obsolete equipment was removed.

The Commission had no capitalized interest costs for the year ended June 30, 2009.

6) LEAVE ADDITIVE EMPLOYEE BENEFIT

The Commission's leave additive consists of vacation leave and compensatory overtime earned. Leave additive is calculated monthly and charged to the various programs. A liability account is used to offset these charges. When leave time is actually taken, it is then charged against the leave additive liability account. The total leave additive charged to the programs for the year ended June 30, 2009, was \$107,262.

Accrued Leave Additive at June 30, 2009 was \$97,712.

7) PENSION AND RETIREMENT BENEFITS

The Commission contributes to the Iowa Public Employees Retirement System (IPERS) which is a cost-sharing multiple-employer defined benefit pension plan administered by the State of Iowa. IPERS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. IPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to IPERS, P.O. Box 9117, Des Moines, Iowa, 50306-9117.

Plan members are required to contribute 4.10% of their annual salary and the Commission is required to contribute 6.35% of annual covered payroll. Contribution requirements are established by State statute. The Commission's contribution to IPERS for the year ended June 30, 2009 was \$55,630.

8) COST ALLOCATION PLAN

Upper Explorerland Regional Planning Commission has adopted a cost allocation plan to allocate indirect costs to the various programs. Any cost, which cannot be assigned directly to a program, is allocated based upon this cost allocation plan. Indirect costs allocated to the various programs for the year ended June 30, 2009, totaled \$159,648.

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS

9) SUPPORT FROM GOVERNMENTAL UNITS

The Commission receives substantially all of its support from Federal, state, and local governments. A significant reduction in the level of this support, if this were to occur, would have a significant effect on the Commission's programs and activities.

10) RESTRICTED FUND BALANCE

The Commission's Restricted Fund Balance is made up of the following:

Fund Balance-HAWC		\$ 55,000
Fund Balance-RBEG		740
Fund Balance-RLF		476,794
Fund Balance-Local Match	350,000	
Fund Balance-Loan Pool	302,410	
Fund Balance-Reserve for Bad Debt	<u>81,100</u>	
Total Fund Balance-IRP		<u>733,510</u>
TOTAL RESTRICTED FUND BALANCE-EXHIBIT A		<u>\$1,266,044</u>

See Note 14 for the amounts required for the Reserve for Bad Debts.

These funds may be used only for the purpose of transferring to the General Operating Account amounts, not more than actual loan losses and to pay principal and interest on the IRP Promissory Note when there are insufficient funds in the General Operating Account.

Investment income derived from any account shall remain a part of such account.

11) CONTINGENT LIABILITY - SICK LEAVE

Commission employees accumulate sick leave hours for subsequent use. These accumulations are not recognized as expenditure by the Commission until used.

Sick leave is only payable when used and is not available to employees upon termination, retirement or death. After the maximum allowable sick leave of 720 hours (90 days) is accumulated, additional sick leave earned is then converted to

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS

annual leave at a 3 to 1 ratio. Three hours of sick leave earned is then equal to one hour of annual leave.

12) LOANS RECEIVABLE

Loans receivable consist of the following:

Loans under the HAWC Program	\$ 11,249
Loans under the Intermediary Relending Program (See note 14)	1,363,051
Loans under the Revolving Loan Program (See note 15)	<u>359,076</u>
Exhibit A and C	<u>\$1,733,376</u>

13) UPPER EXPLORERLAND REGIONAL HOUSING AUTHORITY

The Commission contracts for the administration of Upper Explorerland Regional Housing Authority (hereinafter call "Authority"). This is a governmental organization that is an agent for landlords who rent housing facilities to low income individuals with assistance from the Federal government. The Authority operates in Allamakee, Clayton, Fayette, Howard and Winneshiek counties of northeast Iowa. Wendy Mihm-Herold, executive director of the Commission, is also the director of the Authority. The Commission bills the Authority for direct salaries, fringe benefits and overhead. During the fiscal year ended June 30, 2009, this amounted to \$214,496.

The Authority is audited separately and a report has been issued under separate cover.

14) INTERMEDIARY RELENDING PROGRAM (IRP)

On March 12, 1993, UERPC entered into a loan agreement with the U.S.D.A. The purpose of the loan is to provide "low interest financing to new and expanding business for which credit is not otherwise available or terms and conditions are not available which would permit completion and/or the successful operation of the proposed business activities." In order to secure this loan, UERPC received \$250,000 in capital contributions from the five counties it represents. The loan is for \$1,000,000 and will be for 30 years at one percent interest per annum. Principal payments were deferred for the first three years of the loan and the

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS

first amortized annual payment was made March 29, 1997. The balance of this loan at June 30, 2009, was \$548,010.

On March 20, 2003 Commission entered into an agreement with Rural Development, United States Department of Agriculture for an additional \$400,000 loan. In order to secure this loan the Commission had to contribute \$100,000. The loan is for \$400,000 and will be paid over 30 years at one percent interest per annum. Principal payments were deferred for the

first three years. Interest only was paid on March 20 of the years 2004, 2005 and 2006. First payment of principal and interest to be March 20, 2007 and thereafter on every March 20 for twenty seven years. The payment amount is \$16,980. The balance at June 30, 2009 was \$360,669.

As part of an "Amended IRP Revolving Fund Agreement", dated March 20, 2003 the parties have agreed to combine the two loans for purposes of establishing a Reserve for Bad Debt only. This Reserve for Bad Debt is based on the loans receivable and that loans receivable will approximate the original loan, or loans, plus intermediary contributions. Therefore when fully funded, the Reserve for Bad Debt should be approximately six percent of \$1,750,000 or \$105,000. Per the agreement the Commission should began to accumulate funds in the Reserve in accordance with their delinquency or loss records, so that the six percent requirement can be reached within three years. This Reserve is to be maintained at this level thereafter. The Commission added \$9,400 to the June 30, 2008 balance of \$71,700 to bring June 30, 2009 balance to \$81,100. This is approximately six percent of outstanding loans, \$1,363,051.

15) REVOLVING LOAN FUND (RLF)

In May, 1990, UERPC was awarded \$375,000 in Federal funds, by the Economic Development Administration (EDA) and then supplied a local match of \$125,000 to develop a \$500,000 Regional Revolving Loan Fund Program to promote business development. The Commissions' obligation to the Federal government continues as long as RLF assets, in the form of cash, receivables, personal and real property, and notes or other financial instruments developed through the use of the funds, continue to exist. The agreement states in part that "If EDA determines that a grant recipient is failing to meet his obligation, the Agency will assert its equitable reversionary interest in the RLF assets."

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS

16) IN KIND MATCH

During the year the Commission had a Support for Planning Organizations grant from the U.S. Department of Commerce for \$51,000. The grant called for a match of \$51,000. The match was to be \$19,000 in cash and \$32,000 In-Kind. The In-Kind portion of the local match was fulfilled by each of the five counties attaching a "Letter of Commitment" to the application. The commitment called for each county to contribute a minimum of 250 hours at \$30 per hour, or \$7,500.

During the year the Commission had a Youth Offender grant from Workforce Connections, Inc. of La Crosse Wisconsin with funds from the Department of Labor to provide services to eligible youth offenders. COG assistance was used as a match on this program. The In-Kind match for this grant was \$17,518.

17) INDEBTEDNESS

There is a loan agreement with Rural Development, United States Department of Agriculture, with an original balance of \$1,000,000. Interest rate 1%. Payments are \$42,446 for thirty years. Balance at June 30, 2009 was \$548,010.

There is a loan agreement with Rural Development, United States Department of Agriculture with an original balance of \$400,000. Interest rate of 1%. Payments are \$16,980 for Thirty years. Balance at June 30, 2009 was \$360,669.

Maturity Schedule:

June 30, 2010	\$ 49,800
June 30, 2011	50,299
June 30, 2012	50,937
June 30, 2013	51,446
June 30, 2014	51,899
Subsequent Years	<u>654,336</u>
	<u>\$ 908,717</u>

18) LITIGATION

UERPC had no pending or threatened litigation at June 30, 2009.

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
NOTES TO FINANCIAL STATEMENTS

19) OPERATING LEASES

The Commission leases office space in New Hampton, Iowa on an annual basis. The current lease is \$392 per month and expired July 31, 2009. New lease for year ending July 31, 2010 will be \$425 per month.

The Commission also leases office space in Decorah, Iowa on an annual basis. The current lease is \$392.35 per month and will expire July 31, 2010. There is a five-year option to extend this lease for a negotiable rental price.

The Commission has a two year lease for office space in Waukon, Iowa. The lease expires June 30, 2010. The lease is \$75 per month, but the Commission subleases space to Northeast Iowa Community Action Corporation for \$30 per month. Sublease is for twenty four months ending June 30, 2010.

The Commission has a six year lease for office space in Oelwein, Iowa. The lease expires June 30, 2009. The lease is for \$357 per month.

Future minimum lease payments are:

June 30,	New <u>Hampton</u>	<u>Decorah</u>	<u>Waukon</u>	<u>Oelwein</u>
2010	\$5,100	4,708	900	2,400
2011	425	393	-	-
2012	-	-	-	-
	<u>\$5,525</u>	<u>5,101</u>	<u>900</u>	<u>2,400</u>

20) RELATED PARTY TRANSACTIONS

No related party transactions were noted.

21) IRP LOANS

There are two loans that received interest only payments during the year ended June 30, 2009, totaling \$199,037.

22) RLF LOANS

RLF had one loan during the year ended June 30, 2009 for \$9,000 on which it received interest payments only.

REQUIRED
SUPPLEMENTARY
INFORMATION

SCHEDULE 1

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGET AND ACTUAL-GENERAL FUND
 For the Year Ended June 30, 2009

REVENUES	Actual	Budget	Variance Favorable (Unfavorable)
Commission			
Per Capita	\$ 45,267	45,267	-
TEA-21/DOT Grants	59,639	73,563	(13,924)
EDA Planning Grant	51,000	51,000	-
Navigator	364,218	320,000	44,218
CSP Fiscal Agent Fees	9,287	10,555	(1,268)
RWIB Secretarial Support	4,139	3,000	1,139
Jumpstart	990,239	774,500	215,739
SBA-504 Loan	-	1,000	(1,000)
Contractor Guarantee (CGOI)	3,934	-	3,934
Brownsfield Hazard	18,487	25,700	(7,213)
CDBG Grant Administration	28,871	17,225	11,646
Housing Grant Administration	24,036	15,500	8,536
Lead Hazard Reduction	10,152	7,720	2,432
COG Assistance Grant	9,932	8,800	1,132
Iowa Finance Authority	12,100	10,000	2,100
Apartment Management Fees	-	13,000	(13,000)
EDA Comm. Econ. Recovery Coordinator	16,863	-	16,863
EDSA and Strategic Plans	-	3,000	(3,000)
Oelwein IRP Administration	3,157	4,000	(843)
RBEG/RBOG	69,050	81,500	(12,450)
Winneshiek County Foundation	7,000	-	7,000
Hazard/Pre-Disaster Mitigation	48,795	35,870	12,925
Technical Assistance Plan	2,787	5,000	(2,213)
Security Deposits Refunded	1,202	-	1,202
WIA Fees	-	54,850	(54,850)
Regional Housing Authority Fees	214,496	230,400	(15,904)
Youth Offender/NE IA COMM ACTION	42,500	25,000	17,500
Tenant Based Rental Assistance	1,172	2,000	(828)
Intermediary Relending Program	-	55,000	(55,000)
Revolving Loan Fund Program	-	25,500	(25,500)
NE Iowa Business Network	-	-	-
Interest	14,779	13,400	1,379
Matching Funds	39,909	-	39,909
Other	2,845	-	2,845
	<u>2,095,856</u>	<u>1,912,350</u>	<u>183,506</u>
HAWC			
Interest	1,365	-	1,365
Other	60	-	60
	<u>1,425</u>	<u>-</u>	<u>1,425</u>
IRP			
Interest	82,592	-	82,592
Other	4,925	-	4,925
	<u>87,517</u>	<u>-</u>	<u>87,517</u>

SCHEDULE 1

(continued)

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGET AND ACTUAL-GENERAL FUND
 For the Year Ended June 30, 2009

RLF			
Interest	25,146	-	25,146
Other	355	-	355
	25,501	-	25,501
CSP			
Federal	2,365,228	1,331,467	1,033,761
State	198,646	-	198,646
	2,563,874	1,331,467	1,232,407
WIA			
	51,054	310,308	(259,254)
	51,054	310,308	(259,254)
TOTAL REVENUE			
	4,825,227	3,554,125	1,271,102
EXPENDITURES			
Commission	Actual	Budget	Variance Favorable (Unfavorable)
Salaries	652,342	746,500	94,158
Employee Benefits	85,180	104,510	19,330
Contracted Service	1,658	-	
Travel	39,620	35,800	(3,820)
Car Replacement	3,244	6,800	3,556
Capital Improvement Reserve	295	4,250	3,955
Security Deposit Assistance/TBRA	1,700	1,500	(200)
Office	8,325	6,800	(1,525)
Equipment Purchase/Lease	7,482	12,500	5,018
Communications	542	750	208
Conferences/Training	1,173	1,500	327
Advertising	2,929	2,500	(429)
Marketing	8,754	1,000	(7,754)
Dues & Subscriptions	709	1,000	291
Professional Fees	16,085	14,000	(2,085)
Legal/Filing Fees	624	1,200	576
Printing and Reproduction	288	250	(38)
Repairs & Maintenance	1,300	2,500	1,200
Postage	436	750	314
Miscellaneous	1,046	500	(546)
Allocated Costs	128,758	140,000	11,242
In-Kind	49,518	-	(49,518)
Regional Marketing	52,337	-	(52,337)
Rural Business	16,714	-	(16,714)
Youth Offender/SUMMER ACTION	42,500	25,000	(17,500)
Jumpstart	957,243	750,000	(207,243)
NE Iowa Business Network	-	80,000	80,000
	2,080,802	1,939,610	(139,534)
CSP			
Program Expenses	1,160,718	965,846	(194,872)
Administration	10,555	9,595	(960)
	1,171,273	975,441	(195,832)
HAWC			
Program Expenses	615	-	(615)
IRP			
Program Expenses	52,649	-	(52,649)
RLF			
Program Expenses	13,984	-	(13,984)

SCHEDULE 1

(continued)

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGET AND ACTUAL-GENERAL FUND
 FUND BALANCE-BUDGET AND ACTUAL-GENERAL FUND
 For the Year Ended June 30, 2009

			Variance Favorable (Unfavorable)
WIA	Actual	Budget	
Salaries	420,218	353,300	(66,918)
Employee Benefits	162,653	128,700	(33,953)
Travel/Per Diem	21,458	10,000	(11,458)
Shared Support	23,767	-	
Office Supplies-County Offices	-	500	500
Rent-County Offices	-	13,350	13,350
RSA Costs-County Offices	-	3,000	3,000
Telephone-County Offices	-	5,000	5,000
T-1 Computer Connection-Postville	-	2,700	2,700
Advertising	10,932	500	(10,432)
Audit Expense	3,550	3,500	(50)
Printing	6,023	1,000	(5,023)
Equipment	21,135	500	(20,635)
Allocated Costs	80,930	79,400	(1,530)
Miscellaneous	-	2,000	2,000
Training Supplies	5,725	1,500	(4,225)
Workmans Comp	-	800	800
WIA Client Fica	-	-	-
Other Support	104,015	-	(104,015)
Client Training	583,249	-	(583,249)
	<u>1,443,655</u>	<u>605,750</u>	<u>(837,905)</u>
TOTAL EXPENDITURES	<u>4,762,978</u>	<u>3,520,801</u>	<u>(1,240,519)</u>
Deficiency of Revenues over Expenditures	62,249	33,324	28,925
Fund Balance, Beginning of Year	2,031,561	2,031,561	-
Fixed Asset Absolscence/Adjustments	(48,085)	-	(48,085)
Fund Balance, End of Year	<u>\$ 2,045,725</u>	<u>2,064,885</u>	<u>(19,160)</u>

OTHER SUPPLEMENTARY
INFORMATION

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended June 30, 2009

	HAWC	RBOG	RBEG	Economic Devel. Services
REVENUES				
Intergovernmental				
Federal	\$ -	12,014	25,000	51,000
State	-	-	-	-
Local	-	-	-	52,154
Miscellaneous				
Interest	1,365	-	-	-
Other	60	4,700	27,337	-
Total revenues	1,425	16,714	52,337	103,154
EXPENDITURES				
Salaries	-	-	-	37,982
Employee benefits	-	-	-	14,059
Travel and per diem	-	1,660	3,436	4,359
Conferences and training	-	6,125	3,280	625
Other support	-	8,929	44,881	1,912
Equipment purchase/ lease	1,425	-	-	1,513
Office/Office Supplies	-	-	-	82
In Kind	-	-	-	32,000
Allocated costs	-	-	-	10,622
Long term debt principal	-	-	-	-
Interest	-	-	-	-
Grants/Programs	-	-	-	-
Total expenditures	1,425	16,714	51,597	103,154
NET REVENUES				
(EXPENDITURES)	-	-	740	-
TRANSFER TO WIA	-	-	-	-
FUND BALANCE, beginning	55,000	-	-	-
FUND BALANCE, ending	\$ 55,000	-	740	-

SCHEDULE 2

Department of Trans- poration	Brownsfield Assessment & Cleanup	Jumpstart Federal	Youth Offender	Total Nonmajor Gov Fds
59,639	18,487	6,446	39,019	211,605
-	-	-	-	-
14,908	-	-	-	67,062
-	-	-	-	1,365
-	-	-	17,518	49,615
74,547	18,487	6,446	56,537	329,647
47,325	3,764	2,837	-	91,908
14,126	47	1,045	-	29,277
1,229	484	20	-	11,188
-	-	-	-	10,030
182	13,406	1,711	-	71,021
-	-	-	-	2,938
-	-	27	-	109
-	-	-	17,518	49,518
11,685	786	806	-	23,899
-	-	-	-	-
-	-	-	-	-
-	-	-	39,019	39,019
74,547	18,487	6,446	56,537	328,907
-	-	-	-	740
-	-	-	-	-
-	-	-	-	55,000
-	-	-	-	55,740

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
 SCHEDULE OF REVENUES, EXPENDITURES
 and CHANGES IN FUND BALANCE
 WORKFORCE INVESTMENT ACT
 Year Ended June 30, 2009

	Contract	Northern Engraving	Promise Jobs	Dura	Featherlite E.I.
	#7-W-01-FR-0	#9-W-FR- 9F-0-02	#9-W-01- FN-0	#7-W-PF- RR-3-09	#9-W-PF- RR-0-21
REVENUES					
Intergovernmental					
Federal	\$ -	-	-	-	-
State	-	-	-	-	-
Other	-	-	-	-	-
Total revenues	-	-	-	-	-
EXPENDITURES					
Programs-E.C.I.A.	-	-	-	-	-
Programs-I.W.D.	-	-	-	-	-
Programs-W.I.A.	918,925	110,423	205,994	115,831	11,405
Administration	-	-	-	-	-
Total expenditures	918,925	110,423	205,994	115,831	11,405
NET EXCESS REVENUES (EXPENDITURES)	(918,925)	(110,423)	(205,994)	(115,831)	(11,405)
TRANSFERS IN (OUT):					
Special Revenue:					
WIA	918,925	110,423	205,994	115,831	11,405
	918,925	110,423	205,994	115,831	11,405
NET EXCESS REVENUES AND TRANSFERS OUT	-	-	-	-	-
FUND BALANCE, beginning	-	-	-	-	-
FUND BALANCE, ending	\$ -	-	-	-	-

SCHEDULE 3

Rockwell Collins	Agri Processors E.I.	Northern Engraving E.I.	Knife River E.I.	NEICA Summer Youth	Youth Offender	Staff Hours Billed	Total Contracts
#9-W-PF- RR-0-22	#9-W-PF- RR-0-11	#9-W-PF- RR-0-01	#9-W-PF- RR-0-13				
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	11,527	35,499	4,028	51,054
-	-	-	-	11,527	35,499	4,028	51,054
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
9,553	469	19,503	498	11,527	35,499	4,028	1,443,655
-	-	-	-	-	-	-	-
9,553	469	19,503	498	11,527	35,499	4,028	1,443,655
(9,553)	(469)	(19,503)	(498)	-	-	-	(1,392,601)
9,553	469	19,503	498	-	-	-	1,392,601
9,553	469	19,503	498	-	-	-	1,392,601
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
**SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE**
WORKFORCE INVESTMENT ACT CONTRACT # 7-W-01-FR-0
 Year Ended June 30, 2009

	Admin- istrative	Admin Stimulus	Adult	Youth
REVENUES:				
Intergovernmental				
Federal	\$ -	-	-	-
State	-	-	-	-
Total revenues	-	-	-	-
EXPENDITURES:				
Programs-W.I.A.	45,971	9,864	120,187	155,079
Total expenditures	45,971	9,864	120,187	155,079
TRANSFERS IN (OUT):				
Special Revenue:				
WIA	45,971	9,864	120,187	155,079
NET	-	-	-	-
FUND BALANCE, beginning	-	-	-	-
FUND BALANCE, ending	\$ -	-	-	-

SCHEDULE 4

Youth Stimulus	Dislocated Worker	Dislocated Worker Stimulus	SWA	EPJ NEG	Total W.I.A. #7-W-01 FR-0
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
31,140	259,222	36,577	40,015	220,870	918,925
31,140	259,222	36,577	40,015	220,870	918,925
31,140	259,222	36,577	40,015	220,870	918,925
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FISCAL AGENT for COORDINATING SERVICE PROVIDER
Year Ended June 30, 2009

	Contract #7-W-01-FR-0	Promise Jobs #9-W-01-FN-0	Northern Engraving #9-W-FR- 9F-0-02	Dura #7-W-PF- RR-3-09
REVENUES:				
Intergovernmental				
Federal	\$ 1,646,166	451,380	110,423	115,831
State	198,646	-	-	-
Total revenues	1,844,812	451,380	110,423	115,831
EXPENDITURES:				
Programs-E.C.I.A.	608,357	245,386	-	-
Programs-I.W.D.	306,975	-	-	-
Administration	10,555	-	-	-
Total expenditures	925,887	245,386	-	-
TRANSFERS IN (OUT):				
Special Revenue:				
WIA	(918,925)	(205,994)	(110,423)	(115,831)
NET	-	-	-	-
FUND BALANCE,				
beginning	-	-	-	-
FUND BALANCE,				
ending	\$ -	-	-	-

SCHEDULE 5

Featherlite E.I. #9-W-PF- RR-0-21	Northern Engraving E.I. #9-W-PF- RR-0-01	Knife River E.I. #9-W-PF- RR-0-13	Agri Processors E.I.#9-W- PF-RR-0-11	Rockwell Collins #9-W-PF- RR-0-22	Total Coordinating Service Provider
11,405	19,503	498	469	9,553	2,365,228
-	-	-	-	-	198,646
11,405	19,503	498	469	9,553	2,563,874
-	-	-	-	-	853,743
-	-	-	-	-	306,975
-	-	-	-	-	10,555
-	-	-	-	-	1,171,273
(11,405)	(19,503)	(498)	(469)	(9,553)	(1,392,601)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FISCAL AGENT for COORDINATING SERVICE PROVIDER
Contract # 7-W-01-FR-0
Year Ended June 30, 2009

	Workforce Investment Act	Adminis- tration	IWD Promise Jobs	General Fund- SurTax	Wagner Peyser
REVENUES					
Intergovernmental					
Federal	\$ 1,527,282	-	37,660	-	41,288
State	-	10,555	-	142,349	-
Total revenues	1,527,282	10,555	37,660	142,349	41,288
EXPENDITURES					
Programs-E.C.I.A.	608,357	-	-	-	-
Programs-IWD	-	-	37,660	142,349	41,288
Administration	-	10,555	-	-	-
Total expenditures	608,357	10,555	37,660	142,349	41,288
NET EXCESS REVENUES (EXPENDITURES)	918,925	-	-	-	-
TRANSFERS IN (OUT):					
Special Revenue:					
WIA	(918,925)	-	-	-	-
	(918,925)	-	-	-	-
NET EXCESS REVENUES AND TRANSFERS OUT	-	-	-	-	-
FUND BALANCE, beginning	-	-	-	-	-
FUND BALANCE, ending	\$ -	-	-	-	-

See accompanying independent auditor's report

SCHEDULE 6

Unemployment Insurance	Disabled Veteran's Outreach	TAA	Penalty & Interest BRCM	Career Readiness Certification Stand. Skills	Total Contract 7-W-01- FR-0
29,408	6,452	4,076	-	-	1,646,166
-	-	-	12,948	32,794	198,646
29,408	6,452	4,076	12,948	32,794	1,844,812
-	-	-	-	-	608,357
29,408	6,452	4,076	12,948	32,794	306,975
-	-	-	-	-	10,555
29,408	6,452	4,076	12,948	32,794	925,887
-	-	-	-	-	918,925
-	-	-	-	-	(918,925)
-	-	-	-	-	(918,925)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

See accompanying independent auditor's report

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FISCAL AGENT for COORDINATING SERVICE PROVIDER
 WORKFORCE INVESTMENT ACT
 Year Ended June 30, 2009

	Admin- istrative	Admin Stimulus	Adult	Adult Stimulus	Youth
REVENUES:					
Intergovernmental					
Federal	\$ 83,236	16,060	211,525	2,422	292,081
State	-	-	-	-	-
Total revenues	83,236	16,060	211,525	2,422	292,081
EXPENDITURES:					
Programs-E.C.I.A.	37,265	6,196	91,338	2,422	137,002
Total expenditures	37,265	6,196	91,338	2,422	137,002
TRANSFERS IN (OUT):					
Special Revenue:					
WIA	(45,971)	(9,864)	(120,187)	-	(155,079)
NET	-	-	-	-	-
FUND BALANCE, beginning	-	-	-	-	-
FUND BALANCE, ending	\$ -	-	-	-	-

See accompanying independent auditor's report

SCHEDULE 7

Youth Stimulus	Dislocated Worker	Dislocated Worker Stimulus	SWA	EPJ NEG	Total Workforce Investment Act
75,400	446,079	99,579	80,030	220,870	1,527,282
-	-	-	-	-	-
75,400	446,079	99,579	80,030	220,870	1,527,282
44,260	186,857	63,002	40,015	-	608,357
44,260	186,857	63,002	40,015	-	608,357
(31,140)	(259,222)	(36,577)	(40,015)	(220,870)	(918,925)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

See accompanying independent auditor's report

SCHEDULE 8

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
**SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS**

DEPARTMENT OF COMMERCE

AWARD NO. 05-83-04434

SUPPORT FOR PLANNING ORGANIZATIONS

CFDA#11.302

Grant Period July 1, 2007 to June 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Federal	\$ 102,000	102,000	-
Local	102,000	103,219	1,219
	<u>204,000</u>	<u>205,219</u>	<u>1,219</u>
 EXPENDITURES			
Program	<u>\$ 204,000</u>	<u>205,219</u>	<u>1,219</u>

SCHEDULE 9

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
**SCHEDULE OF CUMULATIVE REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE ON COMPLETED CONTRACTS**

FEDERAL TRANSIT ADMINISTRATION

CONTRACT NUMBER 09564

PLANNING JOINT PARTICIPATION AGREEMENT
 TO IMPLEMENT REGIONAL INTERMODAL PLANNING

CFDA#20.515

Grant Period July 1, 2008 to June 30, 2009

	<u>Budget</u>	<u>Actual</u>	<u>Over (Under) Budget</u>
REVENUES			
Federal	\$ 73,563	59,639	(13,924)
Local	18,391	14,908	(3,483)
	<u>\$ 91,954</u>	<u>74,547</u>	<u>(17,407)</u>
EXPENDITURES			
Program	<u>\$ 91,954</u>	<u>74,547</u>	<u>(17,407)</u>

SCHEDULE 10

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended June 30, 2009

<u>Federal Grantor / Program</u>	<u>Federal CFDA Number</u>	<u>Grant Number</u>	<u>Program Expenditures July 1, 2008 to June 30, 2009</u>
<u>DIRECT:</u>			
<u>U.S. Department of Commerce:</u>			
Economic Development Planning Grant	11.302	05-83-04434	\$ 51,000
Title IX Economic Adjustment Program- Revolving Loan Fund	11.307	Perpetual	-
TOTAL DEPARTMENT OF COMMERCE			<u>51,000</u>
<u>U.S. Department of Agriculture:</u>			
Rural Business Opportunity Grant	10.773		<u>12,014</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			
<u>U.S. Environmental Protection Agency:</u>			
Brownsfields Assessment and Cleanup Agreements	66.818	BF-98796001-1	<u>18,487</u>
TOTAL U.S. ENVIRONMENTAL PROTECTION AGENCY			<u>18,487</u>
<u>INDIRECT:</u>			
<u>U.S. Department of Transportation</u>			
Indirect passthrough Iowa Department of Transportation Federal Transit Administration-Transportation	20.215	9564	<u>59,639</u>
TOTAL DEPARTMENT OF TRANSPORTATION			<u>59,639</u>
<u>U.S. Department of Labor</u>			
Indirect passthrough Workforce Connections, Inc of LaCrosse Wisconsin Youth Offender	17.261		<u>39,019</u>
Indirect passthrough Iowa Workforce Development Department Wagner Peyser Employment Services	17.207	7-W-01-FR-0	<u>41,288</u>
Disabled Veterans Outreach Program	17.801	7-W-01-FR-0	<u>6,452</u>
Unemployment Insurance	17.225	7-W-01-FR-0	<u>29,408</u>
TAA	17.245	7-W-01-FR-0	<u>4,076</u>
Title I - Administration	17.258	7-W-01-FR-0	83,236
Title I - Administration Stimulus	17.258		16,060
Title I - Adult	17.258	7-W-01-FR-0	211,525
Title I - Adult Stimulus	17.258		2,422
Subtotal - WIA Adult CFDA # 17.258			<u>313,243</u>
WIA Youth in School Formula	17.259	7-W-01-FR-0	292,081
WIA Youth Stimulus	17.259		<u>75,400</u>
			<u>367,481</u>
WIA Dislocated Worker	17.260	7-W-01-FR-0	446,079
WIA Dislocated Worker - Stimulus	17.260		99,579
Set Aside, Incentive Awards	17.260	7-W-01-FR-0	80,030
Dura SEG	17.260	7-W-PF-RR-3-09	115,831
EPJ National Emergency Grant	17.260	7-W-01-FR-0	220,870
Northern Engraving	17.260	9-W-FR-9F-O-02	110,423
Northern Engraving Early Intervention	17.260	9-W-PF-RR-O-01	19,503
Featherlite Early Intervention	17.260	9-W-PF-RR-O-21	11,405
Knife River Early Intervention	17.260	9-W-PF-RR-O-13	498
Agri Processors Early Intervention	17.260	9-W-PF-RR-O-11	469
Rockwell Collins	17.260	9-W-PF-RR-O-22	9,553
Subtotal - WIA Dislocated Worker CFDA # 17.260			<u>1,114,240</u>

See accompanying independent auditor's report

SCHEDULE 10
Continued

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2009

	Federal CFDA <u>Number</u>	Grant <u>Number</u>	Program Expenditures July 1, 2008 to June 30, 2009
Navigator	17.266	7-W-01-FR-0	<u>364,218</u>
Subtotal - WIA Cluster CFDA # 17.258, 17.259, 17.260 & 17.266			<u>2,159,182</u>
TOTAL DEPARTMENT OF LABOR			<u>2,279,425</u>
 <u>U.S. Department of Health and Human Services</u>			
Indirect passthrough Iowa Workforce Development Department			
Promise Jobs	93.558	7-W-01-FR-O	37,660
Promise Jobs	93.558	9-W-01-FN-O	451,380
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>489,040</u>
 <u>U.S. Treasury</u>			
Indirect passthrough Iowa Department of Economic Development			
Regional Marketing Grant	21.000	05-RMG-02	<u>25,000</u>
 <u>U.S. Department of Agriculture</u>			
Business and Industrial Loans-Intermediary	10.767	Perpetual	-
Relending Program			
TOTAL DEPARTMENT OF AGRICULTURE			<u>-</u>
 <u>Federal Emergency Management Agency:</u>			
Indirect pass thru Iowa Department of Economic Development:			
Jumpstart			<u>6,446</u>
			<u>6,446</u>
TOTAL ALL FEDERAL PROGRAMS			<u>\$ 2,941,051</u>

SCHEDULE 12
Continued

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2009

NOTE 1-BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Upper Explorerland Regional Planning Commission and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic statements.

NOTE 2-SUBRECIPIENTS

Upper Explorerland Regional Planning Commission provided federal awards to subrecipients as follows:

<u>Program Title</u>	<u>Federal CFDA Number</u>	<u>Amount Provided</u>
Title I-Administration/Stimulus	17.258,17.259,17.260	\$ 43,461
Title I-Adult/Stimulus	17.258	93,760
WIA Youth/Stimulus	17.259	181,262
WIA Dislocated Worker	17.260	249,859
Set Aside, Incentive Awards	17.260	40,015
Promise Jobs	93.558	245,386
		<u>\$ 853,743</u>

RFSW Ridihalgh Fuelling Snitker Weber & Co.

C E R T I F I E D P U B L I C A C C O U N T A N T S

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Independent Auditor's Report on Internal Control
over Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in Accordance
with Government Auditing Standards

To the Board of Commissioners
Upper Explorerland Regional Planning Commission
Postville, Iowa

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Commission's as of and for the year ended June 30, 2009, which collectively comprise the Commission's basic financial statements listed in the table of contents, and have issued our report thereon dated January 8, 2010. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standard applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing our opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses.

A control deficiency exists when the design or operation of the control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Commission's ability to initiate, authorize, record, process, or report financial data reliably in accordance with U.S. generally accepted accounting principles such that there is more than a remote likelihood a misstatement of the Commission's financial statements that is more than inconsequential will not be prevented or detected by the Commission's

internal control. We consider the deficiency in internal control described in Part II of the Schedule of Findings and Questioned Costs to be a significant deficiency in internal control over financial statements.

A material weakness is a significant deficiency, or combination of significant deficiencies that results in more than a remote likelihood a material misstatement of the financial statements will not be prevented or detected by internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards.

This report, a public record by law, is intended solely for the information and use of the officials, employees and citizens of the Commission and other parties to whom the Commission may report, including federal awarding agencies and pass-through entities. This report is not intended to be and should not be used by anyone other than these specified parties.

We would like to acknowledge the many courtesies and assistance extended to us by personnel of the Commission during the course of our audit. Should you have any questions concerning any of the above matters, we shall be pleased to discuss them with you at your convenience.

Ridihalgh, Fuelling, Snitker, Weber & Co., P.C.
RIDIHALGH, FUELLING, SNITKER, WEBER & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

January 8, 2010

RFSW Ridihalgh Fuelling Snitker Weber & Co.

C E R T I F I E D P U B L I C A C C O U N T A N T S

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND TO INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Commissioners
Upper Explorerland Regional Planning Commission
Postville, Iowa

Compliance

We have audited the compliance of Upper Explorerland Regional Planning Commission with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. Upper Explorerland Regional Planning Commission's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Upper Explorerland Regional Planning Commission's management. Our responsibility is to express an opinion on Upper Explorerland Regional Planning Commission's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Upper Explorerland Regional Planning Commission's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Upper Explorerland Regional Planning Commission's compliance with those requirements.

In our opinion, Upper Explorerland Regional Planning Commission complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control Over Compliance

The management of Upper Explorerland Regional Planning Commission is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Upper Explorerland Regional Planning Commission's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in the Commission's internal control that might be significant deficiencies or material weaknesses as defined below.

A control deficiency in the Commission's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Commission's ability to administer a federal program such that there is more than a remote likelihood noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the District's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Commission's internal control. We noted no matters involving the internal control over compliance that we consider to be a material weakness.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Ridihalgh, Fuelling, Snitker, Weber & Co., P.C.

RIDIHALGH, FUELLING, SNITKER, WEBER & CO., P.C.
CERTIFIED PUBLIC ACCOUNTANTS

January 8, 2010

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2009

Part I-Summary of the Independent Auditor's Results

- (a) An unqualified opinion was issued on the financial statements.
- (b) A significant deficiency in internal control over financial reporting was disclosed by the audit of the financial statements.
- (c) The audit did not disclose any noncompliance, which is material to the financial statements.
- (d) Our audit procedures disclosed no reportable conditions in the major program.
- (e) An unqualified opinion was issued on compliance with requirements applicable to each major program.
- (f) The audit did not disclose any audit findings, which were required to be reported in accordance with Office of Management and Budget Circular A-133, Section 510(a).
- (g) Workforce Investment Act Grants with the CFDA Numbers 17.207,17.225,17.258,17.259,17.260, 17.801,17.245,17.266 and 93.558 were audited as major programs.
- (h) The dollar threshold used to distinguish between Type A and Type B programs were \$300,000.
- (i) Upper Explorerland Regional Planning Commission qualified as a low-risk auditee.

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2009

Part II-Findings Related to the Financial Statements

SIGNIFICANT DEFICIENCY:

Preparation of Financial Statements - Upper Explorerland Regional Planning Commission does not employ an accounting staff with the technical expertise to prepare its financial statements (including footnote disclosures) in conformity with accounting principles generally accepted in the United States of America; therefore, it relies on its auditors to prepare such statements.

Response - UERPC feels that having the auditors draft the financial statements and notes is a tolerable situation. Internal financial statements are prepared for reporting and decision making purposes. The requirements and form of the audited statements are different than the internal needs and change occasionally. Given the size of the organization, it is helpful to rely on the expertise of the auditors to monitor those requirements.

Conclusion - Response accepted.

Findings and Questioned Costs: Major Federal Award Programs Audit

No matters were noted.

UPPER EXPLORERLAND REGIONAL PLANNING COMMISSION

This audit was performed by:

Don Snitker, CPA, Manager

Jeremy Lockard, Staff